# BIOMASS CONVERSION TECHNOLOGIES

Current Status, R&D Initiatives, Policy Drivers, Challenges & Opportunities

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# **Outline**

- Introduction
- California's Energy Picture
- Strategic Value of Biomass
- Challenges & Opportunities
- Biomass Policy Drivers
- Status of Bioenergy in California
- Public Interest Energy Research Program
- PIER Biomass Research Activities
- Concluding Remarks







### Introduction

- California's Energy Picture
- Strategic Value of Biomass
- Challenges & Opportunities
- Biomass Policy Drivers
- Status of Bioenergy in California
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- Concluding Remarks







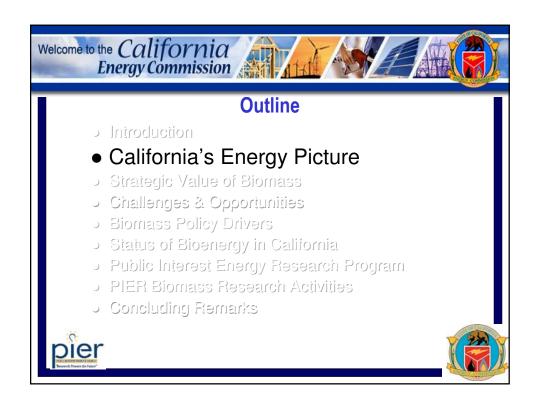
The **California Energy Commission** is the state's primary energy policy and planning agency. Created by the Legislature in 1974 and located in Sacramento, California.

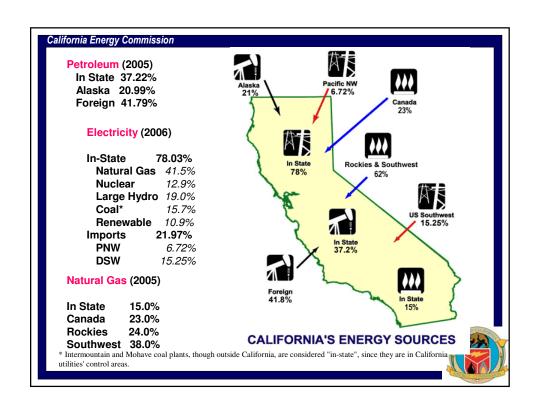
#### The Commission has five major responsibilities:

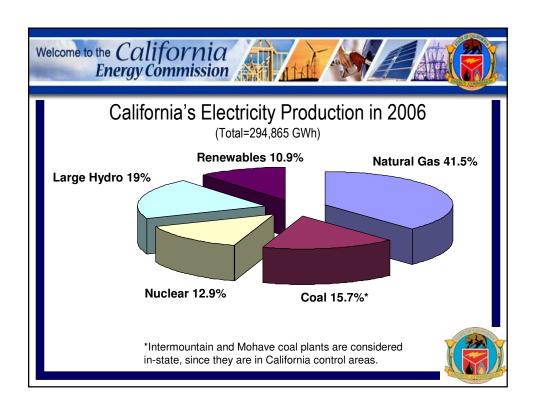
- Forecasting future energy needs and keeping historical energy data
- Licensing thermal power plants 50 megawatts or larger
- Promoting energy efficiency through appliance and building standards
- Developing energy technologies and supporting renewable energy
- Planning for and directing state response to energy emergency

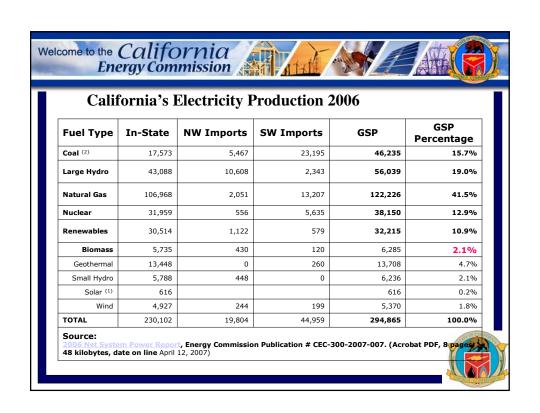


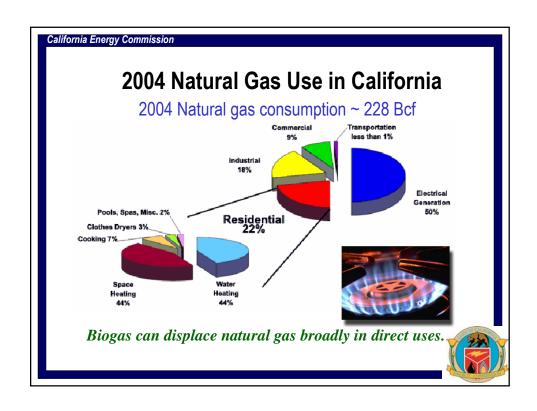


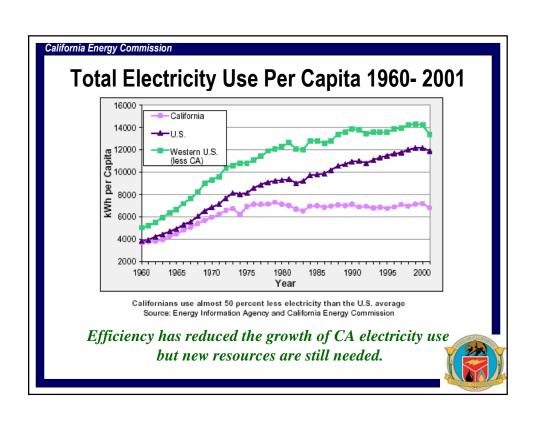


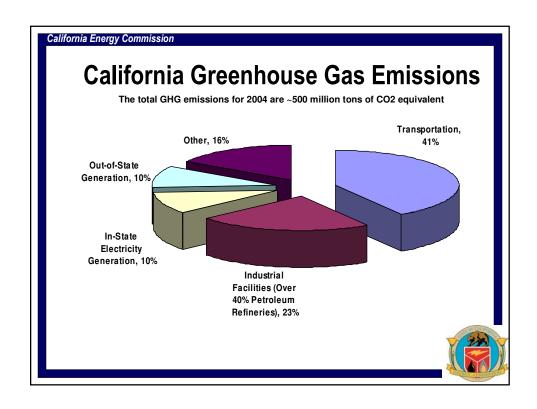


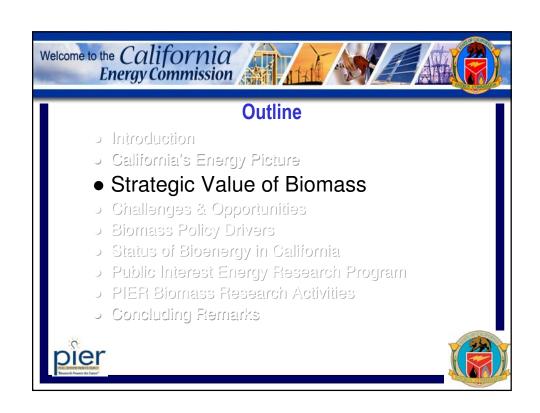












# Strategic Value of Bioenergy

California Energy Commission

The U.S. has large, diverse and untapped biomass resources which can support greater use in electric power, fuels and chemicals.

U.S. Potential = 1.3 billion tons

U.S. Potential = 1.3 billion tons California = 80 million dry tons

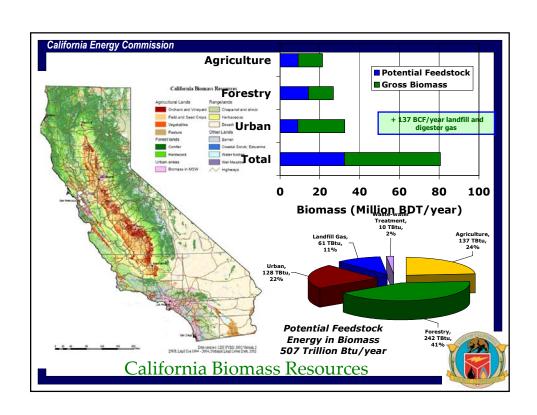
Biomass is an energy resource capable of achieving state petroleum reduction, climate change, renewable energy and environmental goals.

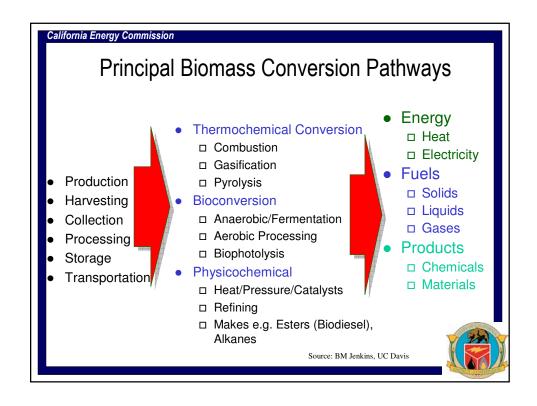
Use of biomass for energy production can address the U.S. and California's waste disposal and environmental problems, while creating local jobs.

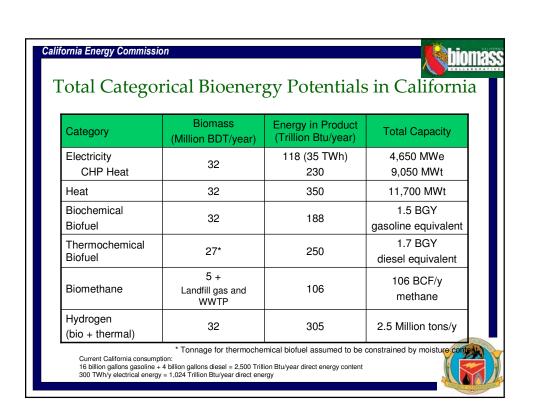
Other public benefits include improving forest health and human and animal health, while avoiding catastrophic wildfires.



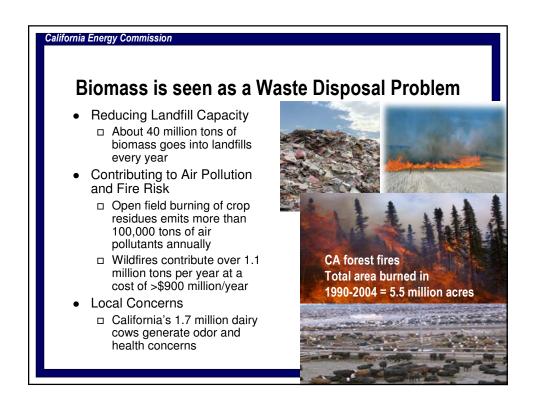












# **Biomass Technology Gaps**

- Electricity Generation Gaps
  - □ Costs still need to come down to more competitive levels
  - □ Air emission profiles (esp. NOx) need to meet or exceed regulations (e.g., CARB 2007 guidelines)
  - ☐ At utility-scale sizes, need development of super clean, super-efficient systems with high degree of responsiveness
  - At DG levels small modular-scale, need to develop a track record
- Transportation Technology Gaps
  - □ Lack of commercial cellulosic to ethanol technologies
    - ◆ Development and demonstration of cellulosic facilities
    - ◆ Development of track record on performance and cost
    - ◆ Development of infrastructure for production & delivery of fuel
  - □ Lack of track record for biodiesel

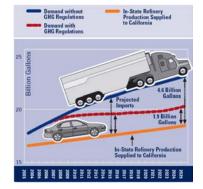
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#### California Energy Commission

**Trends** Petroleum and Non-Petroleum Consumption

The 2005 IEPR concluded that California needs to aggressively reduce its dependence on petroleum and introduce more non-petroleum options.

#### Projected Gasoline and Diesel Demand



Source: California Energy Commission, November 2005, 201

#### Demand for Gasoline and Diesel Fuel

Demand continues, even in the face of record petroleum prices, for several reasons:

- Population growth and more on-road vehicles
- Low per-mile cost of gasoline for the past two decades
- Lack of alternatives to conventional gasoline and diesel fuels
- Consumer preference for larger, less fuel efficient vehicles
- Land use planning that places jobs and housing farther apart without transportation integration
- · Lack of mass transit



- > Introduction
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# • Biomass Policy Drivers

- Status of Bioenergy in California
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#### California Energy Commission

# California Biomass Energy Policy Drivers

- •Governor's Executive Order S-06-06 -biomass & biofuels
- •Bioenergy Action Plan (July 13, 2006, Governor announces action plan to reduce petroleum dependence and improve air quality)
- •AB 32 Global Warming Solutions Act
- •Governor's GHG Reduction Targets (Executive Order S-3-05)
- •Renewables Portfolio Standard, 20% by 2010 and 33% by 2020
- •Integrated Energy Policy Reports (IEPR) (2003, 2004 update, 2005)
- •Energy Action Plan (EAP) I and II (published 2003 and 2005 respectively)
- •Governor's 2003 / 2004 IEPR response and Ten Point Plan
- •US 2005 Energy Policy Act
- •Western Governor's Association (Charter, 2005 Annual Report, 2003 Policy Roadmap)



In a letter dated August 23, 2005, ...

Governor Arnold Schwarzenegger expressed his support for the **California Biomass Collaborative** and reinvigorated the **Bioenergy Interagency Working Group.** 

The Governor directed the **Working Group** to develop an integrated, consistent and comprehensive state policy on the use of biomass for electricity generation, as well as natural gas and petroleum substitution.





"It is critical that we do everything we can to reduce our dependence on petroleum based fuels."

"Turning waste products into energy is good for the economy, local job creation and our environment."

---Governor Schwarzenegger Sacramento, California April 25, 2006





EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA
EXECUTIVE ORDER S-06-06
by the

# **Executive Order S-06-06**

(Issued April 25, 2006)

# Covernor of the State of California Production Targets for Bio-energy

**Biofuels** - the state shall produce a minimum of 20 percent of its biofuels within California by 2010, increasing to 40 percent by 2020 and 75 percent by 2050

Biomass to electricity (biopower) – the state shall meet a 20 percent target within the established state goals for renewable generation for 2010 and maintaining this level through 2020.



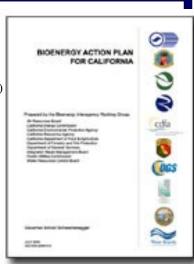
#### California Energy Commission

### Bioenergy Action Plan (Issued July 2006)

Multi-Agency Collaborations (Working Group)

- •California Energy Commission
- •California Air Resources Board
- •California Environmental Protection Agency
- •California Resources Agency
- •Department of Food & Agriculture
- •Department of Forestry & Fire Protection
- •Department of General Services
- •Integrated Waste Management Board
- •Public Utilities Commission
- •Water Resources Control Board

Each agency has individual responsibilities...





# **Bioenergy Action Plan -- Five Policy Objectives**

- Maximize the contributions of bioenergy toward achieving the state's petroleum reduction, climate change, renewable energy, and environmental goals.
- Establish California as a market leader in technology innovation, sustainable biomass development, and market development for bio-based products.
- Coordinate research, development, demonstration, and commercialization efforts across federal and state agencies.
- 4. Align existing regulatory requirements to encourage production and use of California's biomass resources.
- Facilitate market entry for new applications of bioenergy including electricity, biogas, and biofuels.



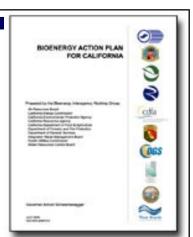


#### California Energy Commission

### Bioenergy Action Plan (Issued July 2006)

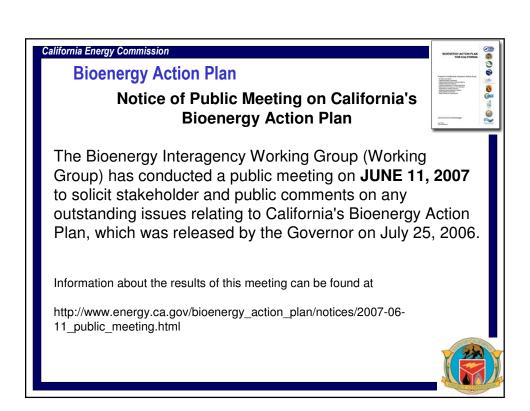
Energy Commission Responsibilities:

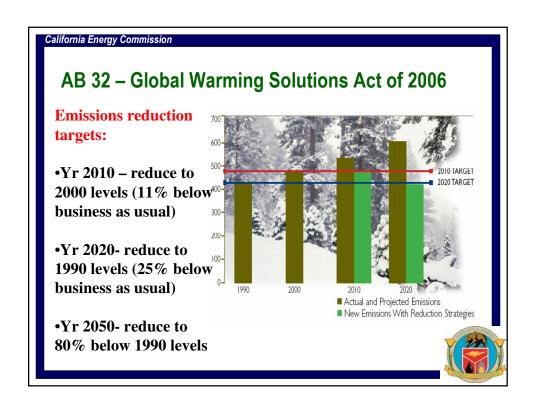
- •Report on progress in implementing the state policy objectives, biomass production targets, and actions detailed in this Action Plan in the IEPR...
- •Complete comprehensive "road map" to guide future research, development, and demonstration activities through the California Biomass Collaborative...
- •Prepare the State Alternative Fuels Plan, as required by AB 1007, by June 30, 2007...among other things, will identify actions and incentives to increase the production and use of biofuels and to develop an extensive and convenient E-85 network in new and retrofitted service stations in California.

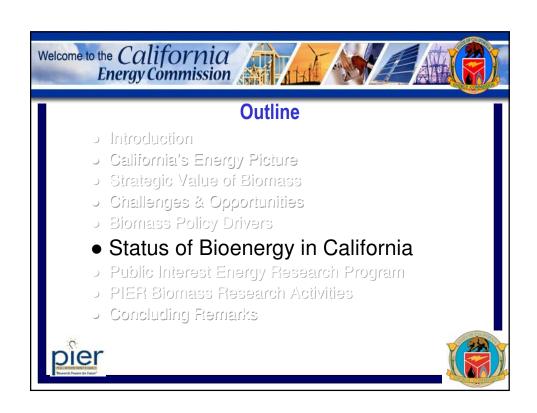




# California Energy Commission **Bioenergy Action Plan** POR CALIFORNIA (Issued July 2006) Members of the Bioenergy Interagency Working Group: --commit to the near term actions to achieve the state's bioenergy policy objectives and biomass production targets -- will work to secure necessary resources for the activities proposed in the plan through the state budget process and pursue legislative initiatives --will create necessary institutional and regulatory changes that will substantially increase the production and use of biomass for energy in California that benefits the economy and protects the environment







# **California Bioenergy Status**

- <u>Biomass power facilities</u> produce ~1,000 MW of electrical capacity:
  - Combustion of Forestry, Agricultural and Urban Residues for Power
  - □ Convert Methane Rich Landfill Gas to Energy
  - Construct Wastewater/ Dairy Biogas Systems that process Biogas.
- Biofuels Californians consumed over 900 million gallons of ethanol and over 43 million gallons of biodiesel in 2006.







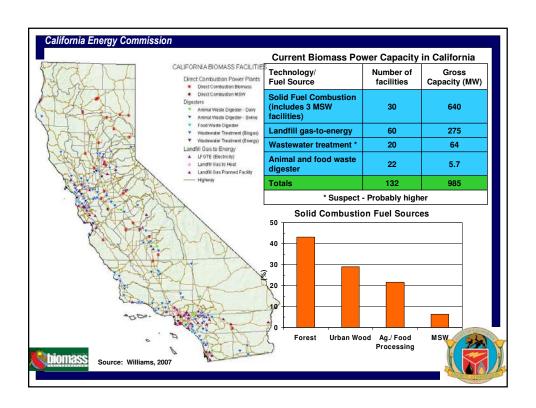
#### California Energy Commission

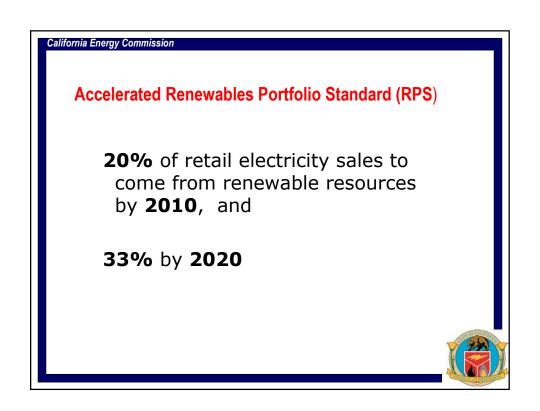
# **In-state Production and Use Goals**

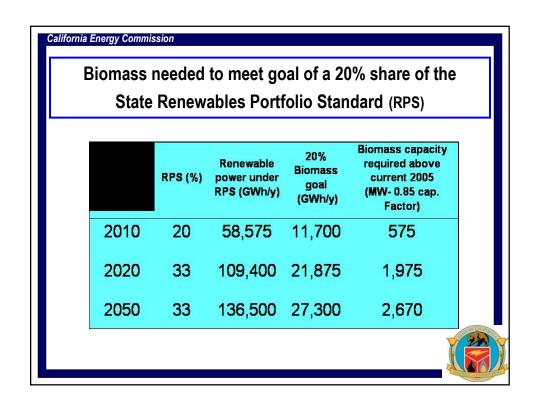
Increase <u>in-state</u> production and use of bioenergy, including ethanol and bio-diesel fuels made from renewable resources:

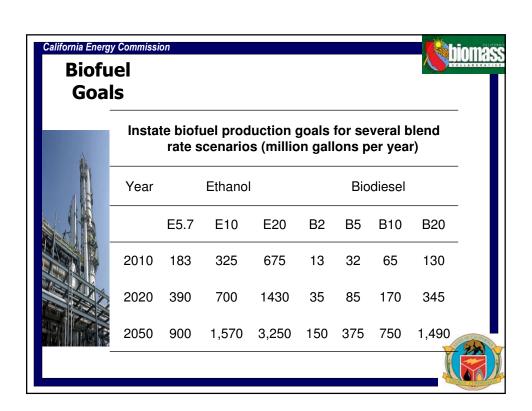
- □ **For biofuels**, the state shall produce a minimum of 20 percent of its biofuels within California by 2010, 40 percent by 2020, and 75 percent by 2050.
- □ For biomass for electricity, the state meet a 20 percent target within the established state goals for renewable generation for 2010 and 2020.

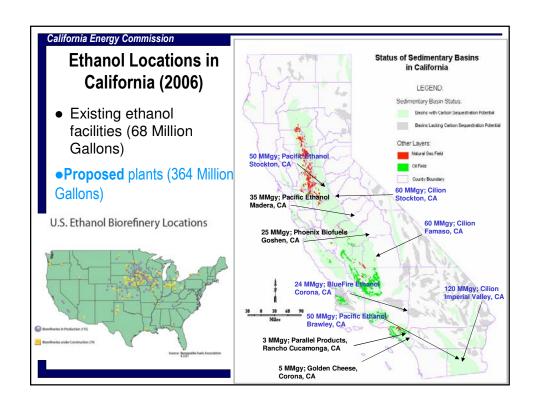


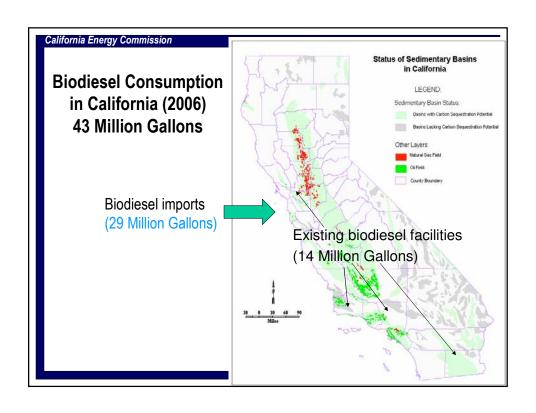


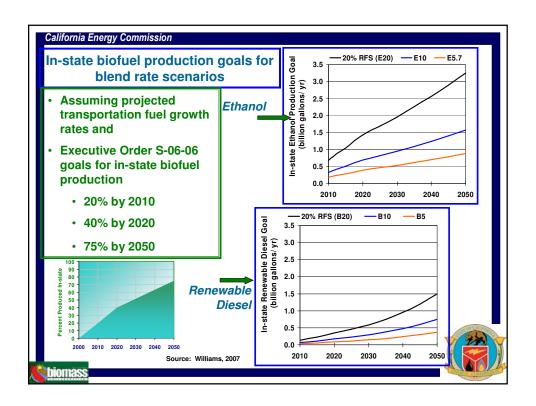


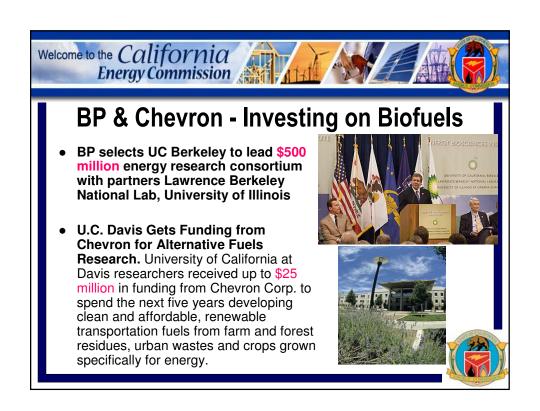












# Renewable Energy Program Production Incentives for Biomass

#### • Existing Renewable Facilities Program

- ☐ Has helped 33 biomass facilities remain competitive or return to service by paying more than \$150 million for 640 MW of renewable energy capacity
- □ Provided \$6 million for the 2004 Agriculture-to-Biomass Program to improve air quality in CA's agricultural areas

#### New Renewable Facilities Program

- □ Of the 68 participating "new" renewable generating facilities, 20 are biomass projects
- □ 17 biomass facilities have been completed and are producing electricity representing 50 MW of capacity
- ☐ More than \$14 million in payments has supported 1,201 gigawatt-hours of biomass generation
- ☐ When completed, all 20 biomass facilities will bring 64 MW of new renewable capacity to California's electricity grid

California Energy Commission

# Renewables Portfolio Standard (RPS)

#### Investor Owned Utility RPS Biomass Contracts

(signed since 2002)

As of March 22, 2007, RPS solicitations and bilateral agreements have resulted in signed contracts with biomass facilities for 285 - 391 MW of capacity (range reflects build-out options).

#### RPS Certification

96 biomass facilities are certified and 21 are precertified as eligible for the RPS representing 1,819 MW of capacity.



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#### California Energy Commission

#### Public Interest Energy Research (PIER) Program

- IOU Ratepayer-funded program launched in 1997
- · Addresses electricity, natural gas, and transportation sectors
- ~\$80M annual budget; nearly \$400M in projects
- A leader in no/low-carbon technology and global climate change research programs
  - $\hfill\Box$  Efficiency and Demand Response
  - □ Renewables
  - □ Clean Fossil Fuel Generation Distributed Generation, Combined Heat & Power
  - $\quad \square \ \, \text{Transportation}$
  - $\hfill \square$  Energy Systems Research Transmission and Distribution, Grid Interconnection
  - □ Environmental Impacts Air, Water, Climate, Communities
- . Strong emphasis on collaborations
  - □ Avoid duplication/builds on past work/ensures relevance
  - □ Regular coordination with IOUs via the Emerging Technology Coordinating Council to transition research to the marketplace
  - ☐ State Agency Partnerships (DGS/DOF, ARB, T-24,CDF,CAGR,CalEPA, IWMB)
  - □ Market Partnerships (California builders, Collaborative for High Performance Schools, California Commissioning Collaborative, major equipment manufacturers)
  - Use California Capabilities (Universities, National Laboratories, High Technology Companies)
  - □ Leverage/complement Federal Investments

# PIER Goals Are Solution- Focused and Include Biomass

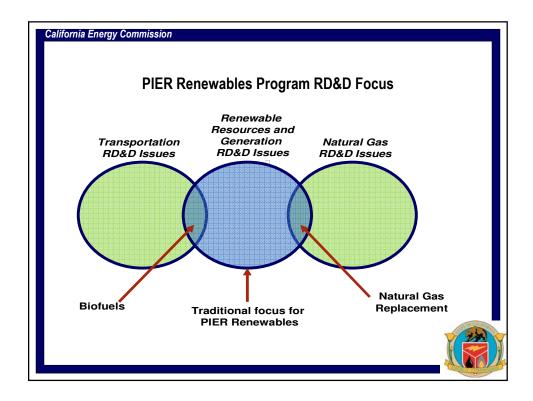
#### General Goal

 "Develop and help bring to market, energy technologies that provide increased environmental benefits, greater system reliability, and lower system costs"

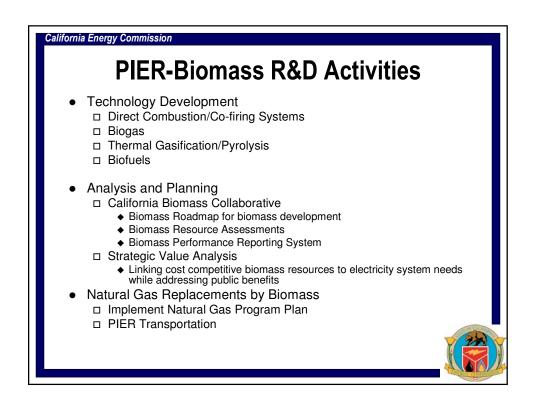
#### Specific Goals

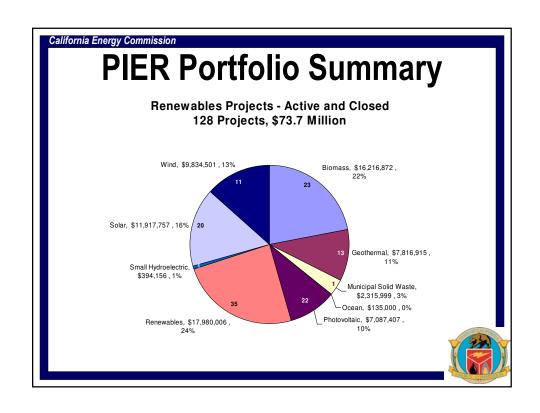
- Develop and help bring to market
  - □ "Advanced transportation technologies that reduce air pollution and greenhouse gas emissions beyond applicable standards, and that benefit electricity and natural gas ratepayers.
  - "Increased energy efficiency in buildings, appliances, lighting, and other applications beyond applicable standards, and that benefit electric utility customers.
  - "Advanced electricity generation technologies that exceed applicable standards to increase reductions in greenhouse gas emissions from electricity generation, and that benefit electric utility customers.
  - "Advanced electricity technologies that reduce or eliminate consumption of water or other finite resources, increase use of renewable energy resources, or improve transmission or distribution of electricity generated from renewable energy resources."

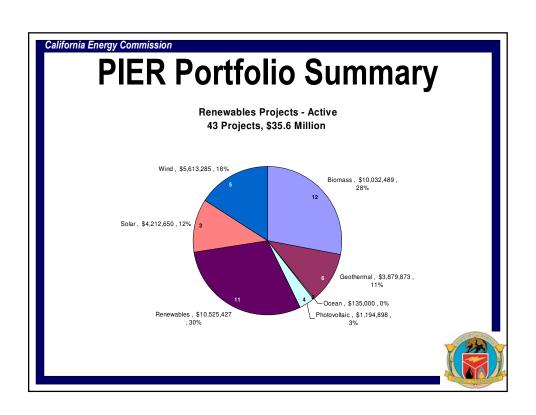
SB 1250 - 2006

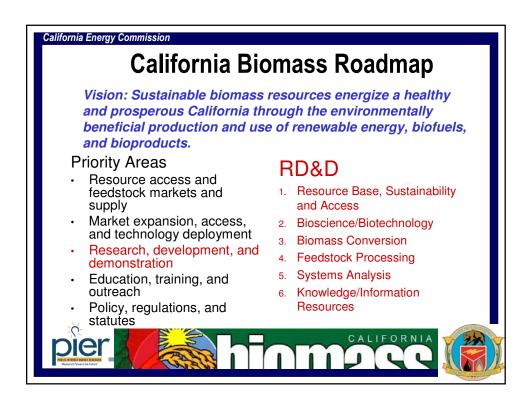


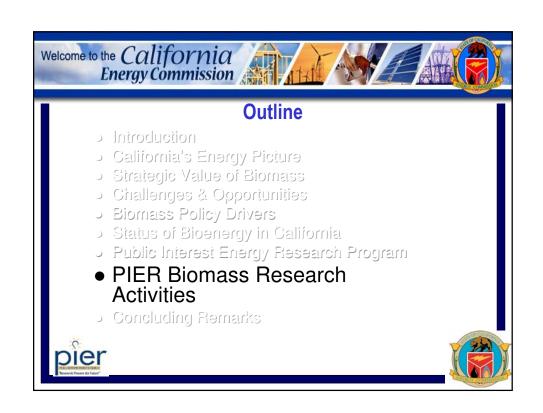
Stages of Technology Development								
Research	Development	Demonstration	Market Entry	ercialization  Market Penetration				
General assessment of asources and market eeds ussess general magnitude of economics concept and bench testing tasic research and ciences (e.g., materials cience)	Research on component technologies Development and initial of product offering Pilot testing	Integrate component technologies Initial system prototype for debugging Demonstrate basic functionality Ongoing development to reduce costs or for other needed improvements "Technology" (systems) demonstrations "Commercial" demonstration Standards creation Testing and certification	Initial orders Early movers or niche segments Product reputation is initially established Business concept implemented Market support usually needed to address high production cost	Follow-up orders based on need and product reputation     Broad(er) market penetration     Infrastructure developed     Full-scale manufacturing				
PIER Re		or renewable technologies		ewahles energy				









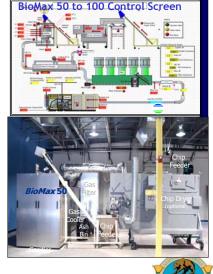


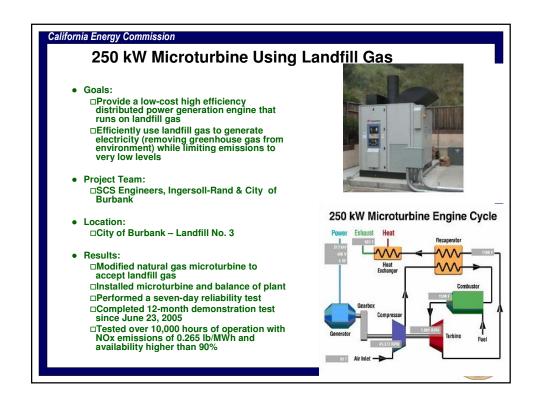
# **PIER Biomass R&D Projects**

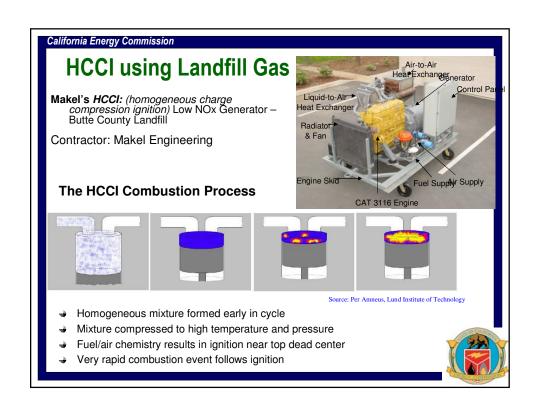


# 50 kW Small Modular Biopower System

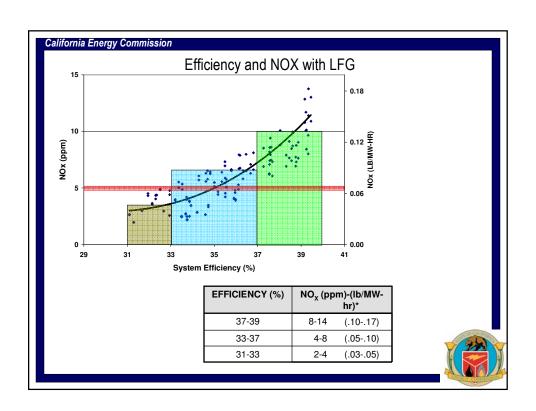
- Contractor: Community Power Corporation
- Goals:
  - Design, develop and demonstrate a 50 kW modular gasification system for grid interconnection, and combined heat and power using forest residue.
  - Improve cost competitiveness of the biomass energy conversion technologies and reduce environmental risks and costs of California's electricity.
- Project Site
  - ☐ Harwood products, Branscomb, CA
- Status:
  - Completed the design and fabrication of the SMB components
  - □ Completed Shop testing at CPC
  - □ NOx = 0.39 lb/MWh using catalytic converters
  - ☐ CO = 4.47 lb/MWh
  - □ Field testing expected to start in July 2007











# Application of Hydrogen Assisted Lean Operation to Biogas-Fueled Reciprocating Engines (Bio-HALO)

- Contractor: TIAX LLC
- Goals:
  - □ Demonstrate an innovative new engine system
  - □ With NOx emissions at 0.032 g/bhp-hr
  - Successful demonstration of a landfill gas autothermal reformer with 70% efficiency
  - □ Costs < \$1000/kW
- Project Site:
  - □ TBD
- Status:
  - Engine fabricated and tested on simulated landfill gas & synthetic reformate

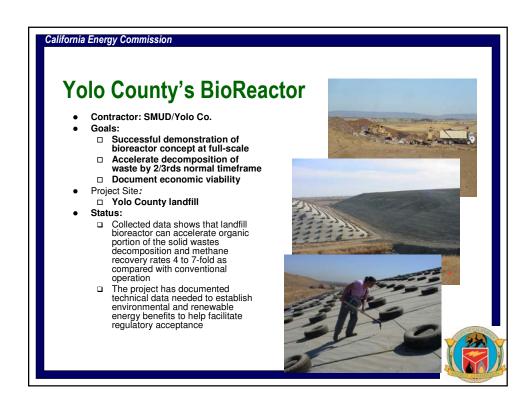


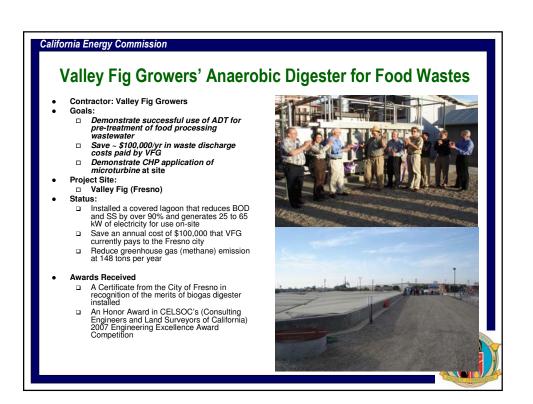
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# BioHALO- NOx results Using simulated landfill gas & synthetic reformate

•								
IMEP (bar)	IMEP COV (%)	NOx (Corrected to 15 % O2) [ppm]	NOx (g/bhp hr, 15% O2)	H2 LHV/CH4 LHV	NOx (lb/MW hr), 15 % O2			
5.4	8.1	5	0.035	13.5%	0.10			
6.9	11.0	7	0.044	11.4%	0.13			
6.6	8.7	10	0.071	7.5%	0.21			
6.8	12.4	9	0.078	14.7%	0.23			
N/A	N/A	4	0.043	14.2%	0.13			
6.1	8.7	8	0.044	10.7%	0.13			
5.9	3.7	7	0.047	14.7%	0.14			
6.6	8.7	10	0.071	7.5%	0.21			







#### Inland Empire Utility Agency (IEUA) Centralized Digester

- Contractor: IEUA
- Project Location: Chino, CA
- Goals:
  - Demonstrate a costeffective European centralized digester for codigestion of dairy manure and food wastes
  - ☐ Generate 1.5 MW of electricity to be used on site
- Status:
  - □ Under Construction



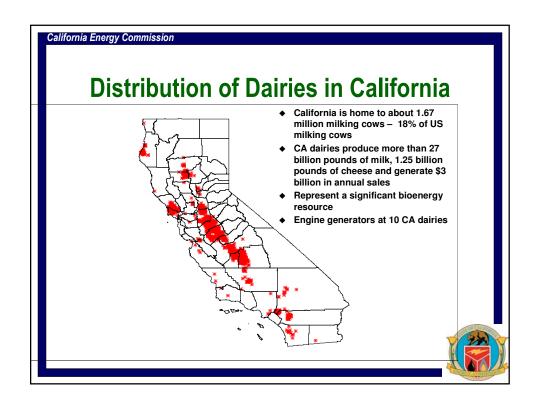


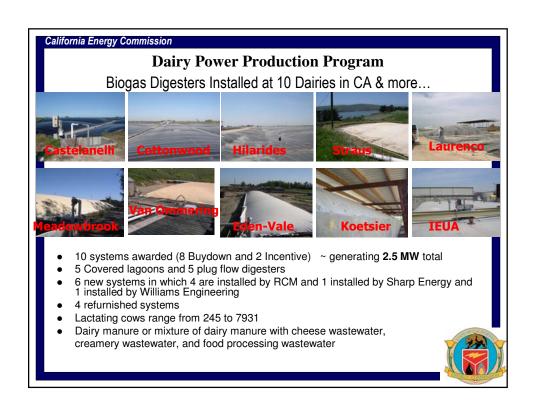
# UC Davis' High Solids Digester

- Contractor: UC Davis & OnSite Power
- Goals:
  - Scale up, test and demonstrate APS high solids digester
    - ♦ 3 tpd size at UC Davis
    - ◆ 25 tpd at Norcal Waste
  - $\begin{tabular}{ll} \Box & Methane generation rate > 6 ft^3 \\ & CH_4/lb of VS \end{tabular}$
  - □ Achieve CARB 2007 NOx goals
- Project Site:
  - □ UC Davis & City of Industry
- Status:
  - □ Digester construction is complete
  - □ Public Opening on October 24, 2006
  - □ Pilot testing will start in April 2007









# California - Biofuels RD&D Grant Solicitation

- PIER Funding Available: \$3 million
- This is a targeted grant solicitation with the intent of accelerating RD&D of biofuel energy conversion technologies and refineries using lignocellulosic biomass such as agricultural and forest residues, urban waste, and food waste, beverages, waste greese, and purpose-grown crops.
- Released date: Oct 31, 2006
- Due date: Jan 4, 2007, 19 proposals received
- Award date: NOPA Released on March 14, 2007 for 3 projects



#### California Energy Commission

# California - Biofuels RD&D Projects

- Metcalf & Eddy and San Francisco Public Utility Commission: Brown Grease Recovery and Biofuel Production Demonstration
- Renewable Energy Institute International: Demonstration of an Integrated Biofuels and Energy Production System
- Bluefire Ethanol: California Lignocellulosic Biorefinery Project





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#### California Energy Commission

# **Concluding Remarks**

- California has abundant biomass resources
- The PIER Program & Bioenergy Interagency Working Group and its member agencies are committed on making CA biomass resources part of the State's energy future
  - Planning and implementation of policy drivers
  - □ Resolving potential barriers to renewables development
  - Developing the next generation of biomass to energy conversion systems that will help make California's electricity and transportation fuels more cost competitive, reliable, safer and cleaner
  - Working closely and cooperatively with key stakeholders to meet California's special needs and take advantage of unique opportunities
- Develop Clean and Affordable Biomass Systems
  - Biogas & Biofuel systems that meet or exceed air & water quality standards
  - Advanced biopower systems that can help address electricity needs while simultaneously helping reduce wildfires and landfill capacity problems
  - Super clean, super-efficient biomass energy conversion systems with high strategic value to CA

**Thank You** Grazie Gracias Merci Dankë Danke schön Dankschen Khawp khun makh Salamat po Tack så mycket Danyavad Arigato gozaimasu Dank u Dank u wel Dziakuju Kamsahamnida Shokran **Efcharist** Kiitos Dzieki Terima kasih Labai dekoju

